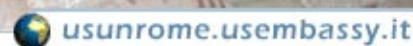


ANGOLA

Observations on Relief and Recovery



February 2004 - Vol 1 Issue 1





Stabilizing Post-Conflict Angola: Observations on Relief and Recovery

US Mission Rome Program Specialist's February 2004 Trip Report

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US Mission to the UN Agencies for Food and Agriculture (US Mission Rome) Program Specialist, Philip Lamade, visited Angola from February 1 – 8, 2004.

Conversations and meetings with USAID, NGOs, WFP, and FAO in Luanda and a field trip to Huambo Province in the central plateau indicate that foreign assistance relief and recovery efforts have provided tangible benefits toward stabilizing post-conflict Angola.

However, for the majority of war-affected Angolans, the acute emergency has ended and livelihoods are slowly beginning to recover.

Humanitarian assistance should move toward much more targeted assistance and away from general food distribution. Because of its wealth, Angola should begin to finance its own recovery. Strengthening its



Philip Lamade at the Huambo market

governance capacity, including taking a more active development role, would also facilitate Angola's long-term sustainable development.

Post Conflict Overview

A former Portuguese colony, Angola is completing a transition from war to peace after a disastrous, 27-year long civil war. Having ended two years ago, the war may have caused as many as a million deaths and massive dislocations. Of four million internally displaced people or refugees, about 3.7 million have returned to Angola since 2002.

Angola is both wealthy and poor. Angola is sub-Saharan Africa's second largest exporter of oil, after Nigeria. In 2003, the US imported more than 350,000 barrels per day of Angolan oil, which represented about 4% of US total oil imports. The oil sector represents about half the country's GDP and 90% of the Government of the Republic of Angola's (GRA's) revenues and export earnings. Production is expected to reach 2 million barrels per day by 2008.

Angola's diamond wealth is also considerable. "Conflict diamonds" were used to finance the protracted war, and today the GRA controls much of the commerce in Angolan diamonds. Despite vast oil and

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diamond wealth, the United Nations' Development Program's 2003 Human Development Index ranks Angola 164th of 175 countries. Most of the country's 14 million people live in poverty, half have no access to clean drinking water, and one child in every four is likely to die before their fifth birthday.

The July 2003 FAO/WFP Crop and Food Supply Assessment Mission determined that WFP food assistance is necessary for about a million people until the 2004 maize harvest in May of 2004. In addition, some of those who returned in 2003 or who are yet to return will need seeds, tools and food assistance through 2004/05 in order to establish self-sufficiency following the 2005 harvest. Today, some observers consider that the emergency has ended, food security is the norm, and livelihoods are slowly but surely recovering.



ChevronTexaco's Benguela-Belize platform



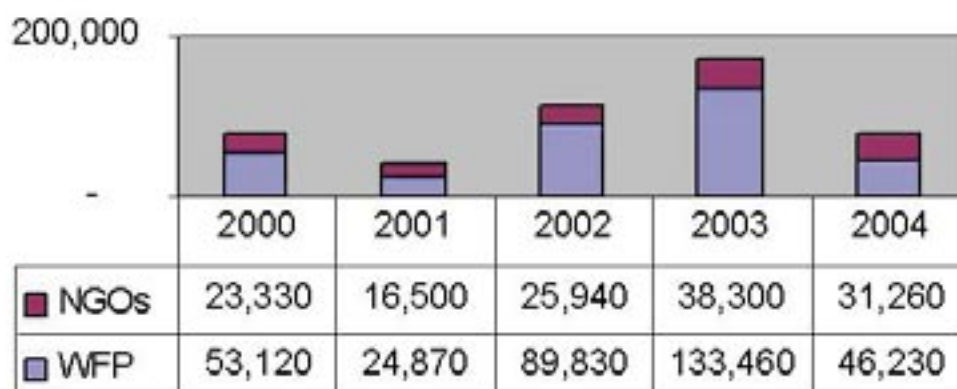
Angola, in Southern Africa, has a thousand mile coastline on the South Atlantic Ocean

Stabilizing the Peace

The international community continues to demonstrate its commitment to preserving the Angolan peace. Multilateral and bilateral development relief activities include the resettlement of former combatants and their families, who are returning to their villages to make a new life.

US Government (USG) foreign assistance has been massive. Through February 2004, USAID's Office of Food for Peace (USAID/FFP) alone has provided Angola about 535,000 metric tons (MT) of commodities worth approximately \$307 million since FY 2000. As depicted below, most of the US contributions have been distributed by WFP.

**USAID/FFP Contributions to Angola
(in Metric Tons)**



Other foreign governments and some NGOs also provide large amounts of foreign aid, although some governments, citing Angola's considerable oil revenues, are beginning to call on the GRA to finance its own recovery.

UN Programs

In terms of multilateral assistance, WFP is managing a two-year protracted relief and recovery operation (PRRO) through December 2005, entitled “support to return and resettlement,” through which it expects to deliver almost 400,000 MT of commodities to Angola’s most vulnerable groups, i.e., pregnant women and young children. Estimated at slightly more than \$250 million, the PRRO will support about 1.4 million beneficiaries in total, including a peak level of 480,000 beneficiaries in early 2004.

WFP’s PRRO provides for a monthly food ration for returning rural households while they re-establish themselves, and it includes a school feeding component. Under a pilot program, Joint Aid Management (JAM), an implementing partner based in South Africa, is already feeding 120,495 children in Benguela Province.

WFP also has two Special Operations for Angola. Through its passenger air transport operation, WFP operates a passenger air service for its own staff and other UN organizations, NGOs, and the donor community. WFP’s special operation for logistics services enables improved access to beneficiaries by air and road transportation, emergency bridge repairs, and includes trucking operations.

The Food and Agricultural Organization (FAO) and the International Fund for Agricultural Development (IFAD) also provide development projects in Angola. Aside from its core function of building capacity at the ministerial level, FAO coordinated emergency agricultural development projects among other UN agencies, NGOs, and the Ministry of Agriculture and Rural Development under a \$25,000 grant from USAID/OFDA. Last year, FAO also received \$100,000 from USAID Luanda to review land tenure and common property rights, consolidate social stability and promote equitable rural development in Huambo Province. FAO’s 2004 consolidated appeal for transition in Angola is for a total amount of almost \$15 million. IFAD’s current development projects are implemented by the GRA. Ranging from fisheries management to crop development, they are valued at about \$57 million.

Bilateral Assistance

USAID Luanda manages numerous programs, including agricultural marketing, agribusiness development, and a famine early warning system network. However, its largest bilateral relief activity is the Consortium for Development Relief Program in Angola (CDRA), which consists of five strong and accomplished US NGOs: CARE International (the prime contractor), Catholic Relief Services (CRS), Save the Children, Africare, and World Vision.

CDRA resources and PVO contributions in kind and in cash for fiscal years 2003 and 2004, are estimated at \$24.3 million and \$33.4 million, respectively. Key interventions include food distribution, agricultural extension, and conflict resolution, including mine awareness, supported by other donor sources as well.

CDRA has requested an extension through September 2005 to provide an array of projects requiring 40,000 MT of commodities for a total cost to USAID/FFP of about \$35 million. CDRA is particularly effective because it enables USAID to leverage additional funds for development activities. For example, a December 2002 Memorandum of Understanding with Chevron Texaco provides \$10 million through 2007 to be used as matching funds for projects supported by USAID Luanda.

Briefings in Luanda

US Mission Rome representative Philip Lamade and USAID Food for Peace officers Melissa Ward and Paul Novick met with USAID Luanda, WFP, FAO, and CDRA representatives on February 2 and 3 for briefings on food security and operational issues. Individually or collectively CDRA expressed the following concerns and issues:

- It wants the GRA to become a more active participant in the country’s development projects;
- It claims that CDRA delivers food aid to beneficiaries at a lower cost than does WFP; however, rough calculations show CDRA costs at \$875/MT

vs. WFP's at \$625/MT;

- It asserts that WFP does not reimburse its implementing partners adequately for transportation costs incurred from extended delivery points to beneficiaries; and
- It is concerned that the benefits of development are not reaching the intended beneficiaries. The CRS report, "Bottom of the Barrel (6/2003)," which criticizes the relationship between Chevron



World Vision's David Sperling (facing camera), Al Dwyer and Melissa Ward Texaco and the GRA, is illustrative of this view.

In April 2000, the GRA signed an economic monitoring program agreement with the International Monetary Fund that requires the country to undertake a program of economic reforms before it is considered for a formal loan. Under the agreement, GRA promised to allow outside auditors to examine how it spends oil revenues.

Although Angolan law requires oil revenues to be deposited with the Angolan National Bank, in July 2002 the auditing firm KPMG found that oil revenues were channeled either directly through the State Oil Company or the Office of the President. In December 2002 the Angolan government fined Chevron Texaco \$2 million for environmental damage from oil spills from its offshore Cabinda oil field.

The High Plateau

On February 4, 2004, a respite from the heavy rains in December and January helped to ensure a smooth flight to Huambo in Angola's fertile high plateau, the Plan Alto, and a meeting with World Vision's David Sperling. An enthusiastic horticulturalist from Cornell University, Dr. Sper-



Danger: Mines

ling described World Vision's program of increasing agricultural production and productivity, improving market access for agricultural produce, promoting rural credit, and rehabilitating rural roads.

The rains had forced the closure of five roads in



World Vision's well-managed warehouse



Huambo hospital's dedicated pediatrician makes her rounds

Huambo Province, which stranded as many as 830,000 aid beneficiaries, destroyed crops grown in river beds during the second planting season, and caused the dangerous shifting of land mines to new positions in the roadway.

In Huambo and central Bie provinces alone, mine accidents killed twelve people and critically injured another fourteen people in December 2003 and January 2004. While no one knows for sure how many land mines were planted during the war, low estimates by international deminers are that upwards of one-half million mines still infest Angola, and it remains one of the most heavily mined countries in the world. Mine accidents

are more frequent during the rainy season because drivers leave well-used roads in order to avoid water-filled potholes.

Humanitarian organizations have called on the GRA to step up its de-mining efforts, since the danger of explosives hamper access to certain populated areas. In addition, because of road closures, WFP has increased its flight operations.

The first stop in Huambo was a World Vision warehouse, where Melissa Ward took a thorough look at the excellent condition of the facility, stored commodities, stock records, safety, and phytosanity aspects.

In Chianga, Angola's only agricultural university retains a skeletal staff and has a great deal of promise. Dr. Sperling described the on-going seed trials, explained why certain corn varieties grow better than



The Untidy Boa Vista Warehouse

others, and pointed out the results of appropriate fertilizer usage. Later that day, the delegation met with leaders of the local agricultural cooperatives. A woman with 11 children, representing widows and other women in her village, asked for seeds again next year. Marveling at the high yields, we conversed at length with food-for-work beneficiaries who were rehabilitating an irrigation system engineered by the Portuguese hundreds of years ago.

WFP hosted activities the following day, which began with a visit to the therapeutic feeding center of the pediatric unit at the Huambo hospital.

Driving to Boa Vista over a bumpy road that reportedly cost \$20 Million to repair, WFP's local implementing partner distributed food to determined villagers from a makeshift warehouse.

Because of the rains, the roads were washed out. Returning to their village would not be easy -- a trek of six or more miles with 50 kilograms of corn on their backs.

Returning to Luanda via WFP's smoothly run passenger air service, the delegation attended a food coordination meeting with WFP and about a dozen of its more than 130 implementing partners.



WFP moves people as well as food

Trip Conclusions

USG bilateral and other bilateral and multilateral foreign assistance relief and recovery efforts have provided tangible benefits toward stabilizing post-conflict Angola. For the majority of Angolans, the acute emergency has ended and livelihoods are beginning to recover. The GRA and WFP should address these changed circumstances. The US Mission Rome applauds Angola's recovery and encourages its continued journey toward democracy.

Despite its great wealth, the GRA provides no funds to support WFP's \$250 million PRRO. Furthermore, two years have elapsed since the rebel leader, Jonas Savimbi, was killed and government opposition collapsed. Accordingly, without any significant regime threat, the GRA should consider financing its own recovery.

In addition to using Angolan wealth for Angolans, the GRA can improve its standing in the international community with more thoughtful action than recent events have shown. For example, in October 2003, WFP nominated a first-class country director,

Rick Corsino, to replace Francisco Roque Castro. The US Mission Rome understands that the GRA rejected Mr. Corsino's candidacy in early February 2004, an unfortunate decision that not only reduces the effectiveness of WFP's programs, but also sends a discouraging signal to other existing and would-be humanitarian assistance providers in Angola.

Regarding WFP, improved conditions and changing mandates suggest that WFP review its management and staffing and make adjustments as appropriate. For example, as previously noted, WFP uses about 130 implementing partners requiring considerable management attention.

The food security situation indicates that WFP should be moving toward much more targeted assistance and away from general food distribution.

WFP might also review its warehouse procedures and conduct a workshop for partner NGOs as well as its own staff in proper warehouse management. WFP may also wish to invite Walter Middleton, World Vision's logistics expert, to conduct such a training exercise.

From a larger perspective, Angola is a challenge for the US Mission Rome. Angola is a fragile state recovering from conflict; however, because of its wealth, Angola is becoming less popular to foreign aid donors. Moreover, while Angola's strong recovery is encouraging, its continued development cannot be assured without continued stimulus from the international community, which will justifiably seek demonstrable improvements in governance.

Accordingly, Angola's complexity as a recipient of foreign aid is also a reminder of the US Mission Rome's official foreign policy goals:

- o Draw attention to global problems of hunger and food security,
- o Communicate and demonstrate America's compassion for people in need, and
- o Ensure proper stewardship of US resources provided to benefit the poor and hungry.

In keeping with these goals, the US Mission Rome is challenged to (a) recall that Angola's weak governance is a central aspect of its fragility, (b) encourage coherence in humanitarian assistance activities by building relationships and networks among others also interested in Angola's recovery, and (c) promote good governance by helping to strengthen Angolan institutions and stability.

We are up to the challenge. We are aware of Angola's shortcomings, consider that foreign assistance can reduce them, and are excited about Angola's bright prospects.